



SCHEDULE OF FINAL CHARGES

Sponsored Projects Accounting's Policy and Process for ensuring compliance with UT Fiscal Policy and Sponsor requirements regarding posting of charges to sponsored projects.

1

Beginning September 1, 2014!

UT POLICY FI0205

SPONSORED PROJECTS

- UT FI0205 #9,b states:

“Timeliness in Charges and Adjustments. So that required reporting and funding of sponsored projects are accomplished in a timely manner, all charges and adjustments to sponsored projects should be recorded on the official records as soon as possible. Department heads and project directors should promptly review the monthly Grant and Contract Budget and Expenditure Report. Departments may access this report online and print as needed. Sponsors and external auditors are extremely critical of late charges, late transfers, and late adjustments to WBS elements for sponsored projects. Charges or transfers delayed beyond the normal processing schedule must be accompanied by an explanation and justification. **All charges should be processed against such accounts within 60 days after the project end date so that final financial reports can be submitted and the WBS elements closed on a timely basis.”**

WHY THE NEED FOR A POLICY REGARDING THE SCHEDULE OF FINAL CHARGES?

- Simply put,
 - ❖ Sponsored Projects Accounting (SPA) is required, on behalf of UT, to submit reports to the **Sponsor** no later than the due dates specified in the award document.
 - ❖ This means all charges must be accurately reported and submitted, to the best of our abilities, by these due dates.
 - ❖ If the charges are not submitted in time, the department may have to absorb the expenses.
 - ❖ The University prefers to not have to go back to the sponsor at a later date and refund charges that were inappropriately charged.

TEAMWORK IS NECESSARY TO:

- Ensure we are compliant with UT Policy.
- Ensure we are meeting Sponsor requirements and expectations.
- Ensure all allowable charges are captured for the final invoicing to protect departments from absorbing unbilled charges.

HOW CAN WE WORK TOGETHER TO ACHIEVE SUCCESS?

- Each month, a SPA representative will send emails to departmental business managers/bookkeepers and PI's regarding expired project accounts.
- The email will include a form called **“Schedule of Final Charges”**
- This form will have a “due date” listed at the top.
(We will talk more about this in a minute)
- The form contains sections that require input from the department.
- It is imperative that the form is filled out accurately, certified, and returned to SPA no later than the due date!

WHY IT IS IMPORTANT THAT ONLY THE “**SCHEDULE OF FINAL CHARGES (SFC)**” FORM BE USED?

- SPA realizes that departments may have their own way of tracking the information being requested on the form, and this is great; however, please do not attempt to change the form.
- In order for SPA to easily verify all charges have been accurately accounted for, it is crucial that the form is filled out and submitted as requested.

WHAT DOES THE “*SCHEDULE OF FINAL CHARGES*” FORM LOOK LIKE?

SECTION 1

- It is the gray box at the top of the form.
- SPA completes this section.
- This section will report the total direct cost expenditures posted as of the last fully closed general ledger period.
- **Action is not required on this section. Contact us if you feel the total is incorrect. If it requires adjustment, SPA will send an updated SFC!**

Section 1 (Do not write in this area)
Total Direct Expenditures as of

SECTION 5

- This section automatically updates based on the information entered in sections 2-4
- The total amount will automatically sum to the Final Direct Expenditures line.
- The automatically adjusted or final direct expenditures will be reflected on the final financial report.

Section 5	
Final Award Expenditures:	
Total Amount Section 1:	\$ -
Total Amount Section 2:	\$ -
Total Amount Section 3:	(\$ -)
Total Amount Section 4:	\$ -
Final Direct Expenditures:	\$ -

THE SFC FORM MUST BE SIGNED

- A signature by the PI or the department head certifies that all expenditures reported are for appropriate purposes within the award period.
- It also states that by signing they understand that if any charges listed in section 3 and 4 do not post within 60 days, action will be taken by Sponsored Projects Accounting to adjust the account accordingly!

I certify that all expenditures reported are for appropriate purposes within the award period and in accordance with the provision of the award documents. I understand that if all charges listed in sections 3 & 4 do not post to the official accounting system within 60 days, action will be taken by Sponsored Projects Accounting to adjust the account accordingly.

Principal Investigator or Dept. Head Signature

Date

IN ADDITION TO SIGNING, PLEASE PRINT
YOUR NAME!

Principal Investigator or Dept. Head Signature	Date	Please Print Name
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**No other personnel are authorized to certify this document*

A SCHEDULE OF FINAL CHARGES IS MORE THAN JUST A SIGNATURE!

- ❑ **It's accountability!!!!**
- ❑ **SPA cannot adjust the final financial report without a SFC signed by the PI or Department Head.**

WHY CERTIFY?

- **Added protection for the PI and the University!**
- **Uniform Guidance makes certifications mandatory!**

200.415 Required certifications.

- Required certifications include:
- (a) To assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows: “By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).”

TO COMPLY WITH UG, UT HAS ADOPTED A SUPPLEMENTAL CLOSEOUT POLICY!

- Sponsored Projects
- **Knoxville Campus Supplemental Policy – October 2014**
- The objective of Fiscal Policy FI0205 is to provide guidance on administering grants and contracts. The purpose of this supplemental policy is to strengthen the timeliness of the closeout process included in FI0205 to reduce risk to the University.
- To fully comply with this policy and supplement, a Schedule of Final Charges (SFC) form must be submitted to Sponsored Projects Accounting to facilitate accurate and timely project closeouts.
- The Knoxville and UTSI campuses will require the principal investigator (PI) or department head to sign the SFC. This applies to all SFC's regardless of source of funds. Failure to close projects in a timely manner may put the University at financial and compliance risk.
- The SFC includes a certification that all expenditures reported are allowable, allocable, reasonable, and necessary for completion of the project. This assurance can be provided only by the principal investigator or, in his/her absence, the department head. No other personnel are authorized to certify this document, including personnel with departmentally delegated authority to sign other financial documents.
- **SFC Departmental Responsibilities:**
- The principal investigator and departmental business manager will receive a SFC form approximately ten days after a project ends requesting closeout information.
- Once the form has been completed and the principal investigator or department head has certified the form, it should be returned to Sponsored Projects Accounting no later than the due date noted on the form in order to ensure timely final invoicing/reporting by sponsor deadlines. In the event the PI is **unavailable**, an email will suffice if the PI states he/she has reviewed the SFC and would forward the copy of the SFC they are approving with a statement that they approve of the attached SFC. An electronic signature of the PI or department head would be accepted.
- Failure to return a properly completed and appropriately certified form by the due date could subject the department to absorbing costs. Without an acceptable form, Sponsored Projects Accounting will complete the final invoice or financial report based on information posted to the general ledger as of the project end date.

IN THE EVENT THE PI IS “UNAVAILABLE” TO SIGN!

- “Unavailable” is defined as:
- The PI is out of the office and has no access to email for the entire duration of time between the time the department receives the SFC and its due date! Only when the PI is unavailable, the Department Heads signature is acceptable.

PI APPROVING SFC BY EMAIL!

- If the PI is away but has access to email, it is expected that the PI approves the SFC by email.
- The email must be able to stand alone as SFC certification.
- To stand alone, **the email must include:**
 1. The SFC project number being approved.
 2. The “total direct expenditures” amount being approved.
 3. The email must come from the PI either directly or forwarded by the bookkeeper.
- These items are needed in the email to ensure that certification of final expenses can be proven, if an auditor only looks at an email.

RESPECT THE DUE DATE ON FORM!

- The due date listed is driven by the individual award documents and UT policy.
 - The timeframe was developed to give SPA time to review expenditure activity and process the final invoice and/or financial reports before submitting to the sponsor.
- The due date reflects a timeframe that should allow you to know the charges that are expected to be posted to your final ledger.
 - ***Don't wait until these charges have posted.*** You should be able to anticipate the charges needed for section four.
- Our Point Here! – If the University only has 60 days to ensure accurate accounting before reporting to the sponsor, and you take 60 days, then SPA does not have appropriate time to review submitted information.

WHY IS IT HELPFUL TO GET THE FORM TO SPA EARLY?

- SPA has a huge number of accounts to process financial reports completed and submitted to our sponsors.
- SPA has a limited staff that must meet the reporting deadlines of our sponsors.
- Our staff is burning the midnight oil, and sometimes weekend oil, to meet these deadlines. We understand this is our job, and we do it proudly, **but**
- When we are here after you are gone, it is crunch time.
 - Decisions have to be made on any questionable expenditures.
 - **We** have to make these decisions based upon what we know.
 - There is not time to verify all the facts with the departments. This can ultimately affect the bottom line.
- The more time we have to work with your accounts the better for everyone.

COMMUNICATION IS THE KEY:

- If you know or expect the project will be extended, notify us and copy your Office of Sponsored Programs coordinator when you receive the email with the SFC form.
 - *If possible, give specifics as to why you think this project will be extended.*
- If you are having issues returning the form before the deadline, let us know. If the issue is something we can help with, we will be glad to.
- If you have questions for us, please let us know. We want to hear from you!
- When you return the form, modifications, or any information regarding the “SFC” form, please ensure that both the SPA Administrative Assistant and Accountant are included on the email.

HOW DO WE KNOW COMMUNICATION IS THE KEY?

- It has been tested.
- We have some really awesome departments within UTK that communicate regularly with us about returning this form.
- We have departments that return those forms very quickly; therefore, we can get our end of things wrapped up quickly.
- We have departments who inform us that they are going down to the wire because of circumstances. We can plan for this and discuss these situations so when the form comes and decisions have to be made we are informed, which is advantageous for all.

WHAT CAN YOU EXPECT FROM SPA TO ENSURE COMPLIANCE.

- You will receive an initial **(First)** email with the SFC form attached listing a final due date.
- Follow up emails will be sent until the SFC is returned- just to ensure everyone stays on the same page.
- SPA's financial compliance officer has recommended that PI's be copied on any correspondence that goes out concerning the project, since they have ultimate responsibility for the project.

SECOND EMAIL

- A second email will be sent to follow up on the status and determine if the project will be extended.
 - It is determined by the schedule.
 - It is structured to ensure compliance with sponsor requirements.
- This email will be sent to the same people as the first email, the business manager/bookkeeper and PI.

THE LAST AND FINAL EMAIL

- The third and final email will be sent outlining the actions that will have to be taken by SPA if the form is not submitted.
 - The financial consequences of inaction by the department will be listed.
- This email will be sent to the same people as the first two emails and will also include the Department Head.
- At this point, the university could possibly be at risk for having punitive actions imposed by the sponsors.

HIGHLIGHTS OF THE PRESENTATION!

- Please fill the form out as requested.
- Please return a certified form as soon as you possibly can.
- Only return the form when you know the information is accurate and complete.
- Talk to us about what's going on with your projects.
- Inform us of known or expected project extensions!
- Failure to submit the final financial report within specified timeframes puts the university and the department at financial risk.

WE WELCOME ANY FEEDBACK!

❖ Please ask questions!



❖ Or make comments!

RAOR MEETINGS

- RAOR meetings are held the third Wednesday of each month.
- Please allow and support sending your staff to the meetings.
- These meetings are open discussion meetings based on the topic, so please encourage your staff to discuss any issues/concerns they have in working with projects.
- I'm sure they will bring back helpful info to the department!

WE GREATLY APPRECIATE YOUR TIME

- We look forward to working with you on the Schedule of Final Charges form!

